

The Consumer Council's Home Energy Index

March 2022



Overview: The Consumer Council's Home Energy Index tracks changes in household gas, electricity and home heating oil (HHO) prices in Northern Ireland. A composite index is calculated, meaning that all three energy prices are combined to create one overarching figure which uses appropriate weighting to reflect usage and market share.

A new analysis was undertaken in June 2020 which separated the composite index (Figure 1) into two separated variables, one representing the energy costs of households using electricity and gas and the second for households using electricity and home heating oil. This is shown in Figure 2. The indices for electricity, gas and home heating oil can be seen individually in Figure 3.

Trend: Over the last 6 years (since January 2016), Northern Ireland's Home Energy Index (HEI) has increased by 127.93. Following a sharp decrease in early 2020, the index remained low until January 2021 when it began to rise again. It began to rise continually during 2021 and, following a small decrease in December 2021, rose increasingly sharply in 2022. The HEI for March 2022 is a historical high by a considerable margin.

March 2022 Findings: At the end of March 2022 the composite HEI was 227.93. From February 2022 to March 2022 the index rose by 52.76 points. This increase is due to significant increases in the price of gas and home heating oil in this period.

- **HHO:** Due to the reliance on HHO in Northern Ireland (approximately 68% of households), the index is particularly sensitive to changes in the price of HHO. Prices of oil have seen considerable fluctuations since the index began in January 2016. They have risen each month of 2022 with a particularly significant increase in March 2022.
- **Gas:** Gas prices increased in March 2022.
- **Electricity:** Electricity prices have increased each month from July 2021 to January 2022 and have remained constant since then.

Figure 1: Home Energy Index (composite of electricity, gas and HHO) for Northern Ireland (January 2016 – March 2022).

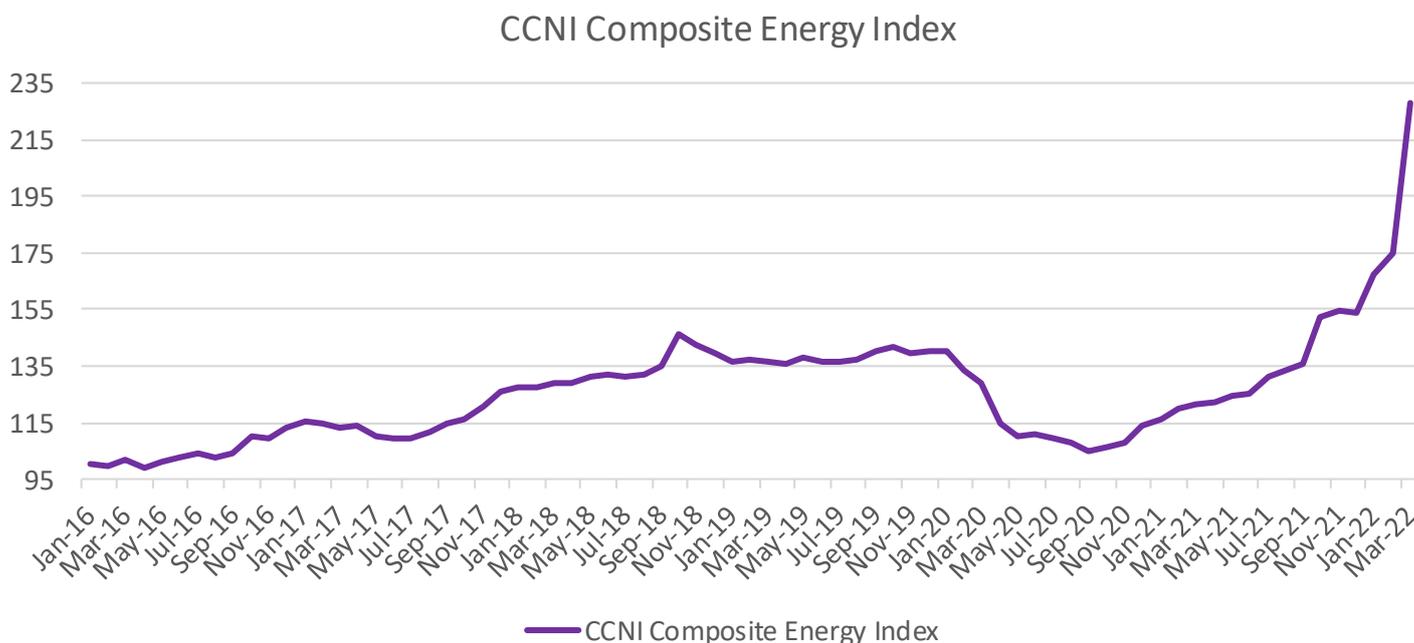


Figure 2: Home Energy Index for (a) Electricity and Gas and (b) Electricity and Home Heating Oil for Northern Ireland (January 2016 – March 2022).

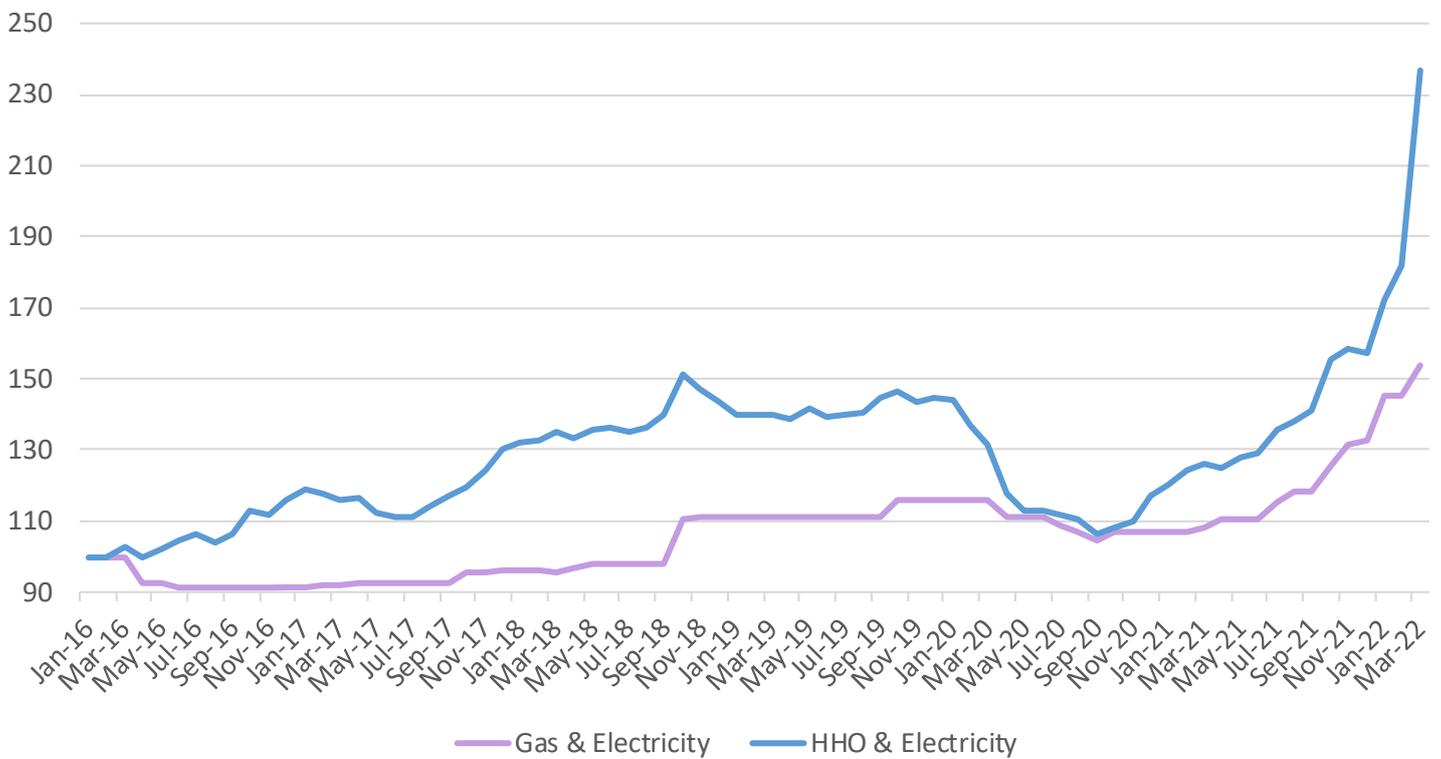
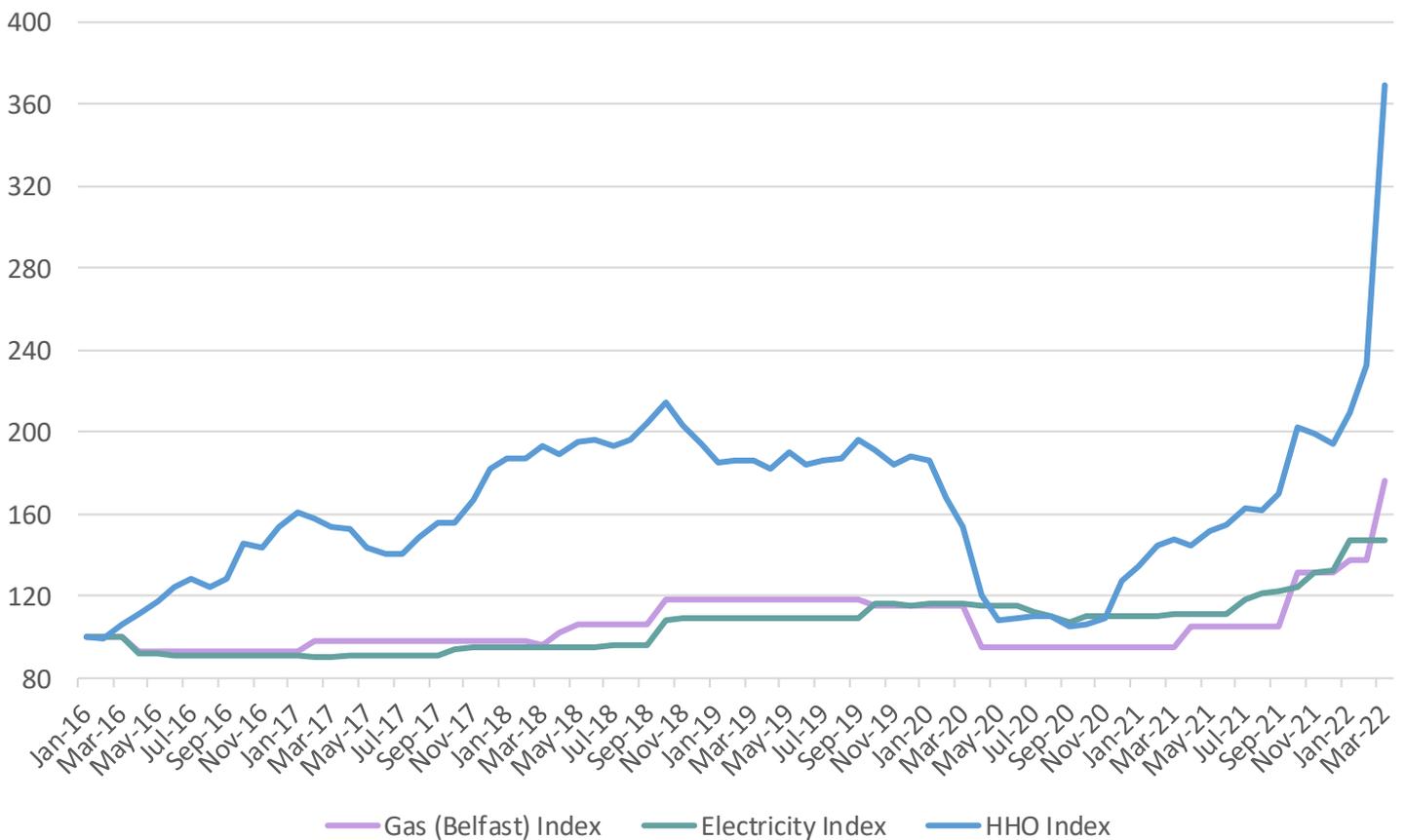


Figure 3: Gas, electricity and home heating oil (HHO) indices for Northern Ireland (January 2016 – March 2022).



What is a price index?

A price index is a number that shows the extent to which a price has changed from a base over a given period. The base period is set at 100 and changes in price are shown relative to that number, i.e. above or below 100 for an increase or decrease respectively. The base period for the Home Energy Index is January 2016.

How was the 'Home Energy Index' created?

The Consumer Council records gas and electricity tariffs monthly from different energy suppliers across Northern Ireland. Prices of home heating oil are recorded weekly from different suppliers. These are available on our website, please see below. Prices are weighted to take consideration of usage and market share of suppliers, so that changes in the index number better reflect the change impacting the consumer over time.

Consumer Information:

The Consumer Council's annual *Consumer Insight Survey* (May 2021) revealed that one of consumers top 'household expenditure worries' was paying energy bills. It also showed that consumers shop around to try to get better energy deals – 32% do so for home heating oil and 26% for gas/electricity. Further information on the survey results are available on The Consumer Council website www.consumercouncil.org.uk.

The Consumer Council has a variety of tools available to help consumers make better choices, shop around and save money. Please visit our website www.consumercouncil.org.uk to avail of the following:

- [Energy Price Comparison Tool](#)
- [Home Heating Oil Survey](#)
- [Energy Efficiency Information](#)
- [Shopping around to save money on transport costs](#)
- [Shopping around to save money on food, insurance, and postal services](#)
- [Household budgeting](#)

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